

Senate File 2380 - Introduced

SENATE FILE 2380
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SSB 3173)

A BILL FOR

1 An Act relating to the manufacture, sale, and consumption of
2 certain products containing hemp, and including effective
3 date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 204.2, Code 2020, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 01. "*Consumable hemp product*" means a
4 hemp product that includes a substance that is metabolized
5 or is otherwise subject to a biotransformative process when
6 introduced into a human or animal body.

7 a. A consumable hemp product may be introduced into a
8 human or animal body by ingestion or absorption by any device
9 including but not limited to an electronic device.

10 b. A consumable hemp product may exist in a solid or liquid
11 state.

12 c. A hemp product is deemed to be a consumable hemp product
13 if it is any of the following:

14 (1) Designed by the processor, including the manufacturer,
15 to be introduced into a human or animal body.

16 (2) Advertised as an item to be introduced into a human or
17 animal body.

18 (3) Distributed, exported, or imported for sale or
19 distribution to be introduced into a human or animal body.

20 d. "*Consumable hemp product*" includes but is not limited to
21 any of the following:

22 (1) A noncombustible form of hemp that may be digested,
23 such as food; internally absorbed, such as chew or snuff; or
24 absorbed through the skin, such as a topical application.

25 (2) Hemp processed or otherwise manufactured, marketed,
26 sold, or distributed as human or animal food, a human or animal
27 food additive, a human or animal dietary supplement, or a human
28 or animal drug.

29 Sec. 2. Section 204.7, subsection 9, paragraph a, Code 2020,
30 is amended to read as follows:

31 a. A Except as provided in subsection 10, a person may
32 engage in the retail sale of a hemp product if the hemp was
33 produced in this state or another state in compliance with the
34 federal hemp law or other applicable federal law. A person may
35 engage in the retail sale of a hemp product if the hemp was

1 produced in another jurisdiction in compliance with applicable
2 federal law and the laws of the other jurisdiction, if such law
3 is substantially the same as applicable federal law.

4 Sec. 3. Section 204.7, subsection 9, paragraph b, Code 2020,
5 is amended by striking the paragraph.

6 Sec. 4. Section 204.7, Code 2020, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 10. a. Except as provided in paragraph
9 "e", a consumable hemp product shall not be manufactured,
10 sold, or consumed in this state unless all of the following
11 conditions are met:

12 (1) The consumable hemp product is manufactured in this
13 state in compliance with this chapter.

14 (2) The hemp contained in the consumable hemp product was
15 produced exclusively in this state in compliance with this
16 chapter.

17 (3) The consumable hemp product complies with packaging
18 and labeling requirements, which shall be established by the
19 department of inspections and appeals by rule.

20 b. A person manufacturing a consumable hemp product in this
21 state shall register with the department on a form prescribed
22 by the department by rule. The department may impose a
23 fee on a registrant not to exceed the cost of processing
24 the registration. The department shall adopt rules for the
25 revocation of a registration issued to a manufacturer who
26 manufactures a consumable hemp product not in compliance with
27 this chapter.

28 c. A person selling a consumable hemp product in this state
29 shall register with the department of inspections and appeals
30 on a form prescribed by the department of inspections and
31 appeals by rule. The department of inspections and appeals
32 may impose a fee on a registrant not to exceed the cost of
33 processing the registration. The department of inspections and
34 appeals shall adopt rules for the revocation of a registration
35 issued to a person who sells a consumable hemp product not in

1 compliance with this section.

2 *d.* Except as otherwise provided in this subsection,
3 a political subdivision of the state shall not adopt any
4 ordinance, rule, or regulation regarding the manufacture, sale,
5 or consumption of a consumable hemp product.

6 *e.* A consumable hemp product manufactured in another
7 state pursuant to a state plan approved by the United States
8 secretary of agriculture may be imported for use by a consumer
9 if the state has substantially similar testing requirements as
10 those provided in section 204.8.

11 *f.* A consumable hemp product manufactured, sold, or
12 consumed in compliance with this subsection is not a controlled
13 substance under chapter 124 or 453B regardless of whether the
14 consumable hemp product has been approved by the United States
15 food and drug administration.

16 Sec. 5. Section 204.17, subsection 2, paragraph c, Code
17 2020, is amended to read as follows:

18 *c.* Local law relating to product development, product
19 manufacturing, consumer safety, or public health so long as the
20 local law is consistent with federal and state law, except as
21 provided in section 204.7, subsection 10.

22 Sec. 6. CONTINGENT EFFECTIVE DATE.

23 1. Except as provided in subsection 2, this Act takes effect
24 on the date that chapter 204 is implemented as provided in 2019
25 Iowa Acts, chapter 130, section 18, subsection 1.

26 2. a. If the department of agriculture and land
27 stewardship, in cooperation with the department of public
28 safety, determines that the United States department of
29 agriculture must approve any amendment to an existing provision
30 or new provision enacted in this Act as part of a state plan
31 pursuant to section 204.3, the secretary of agriculture shall
32 publish a notice of that fact in the Iowa administrative
33 bulletin. The department of agriculture and land stewardship
34 shall forward a copy of the statement to the Code editor prior
35 to publication.

1 b. If a determination is made as provided in paragraph
2 "a", the amendment or new provision enacted in this Act takes
3 effect on the publication date of the edition of the Iowa
4 administrative bulletin that includes a statement by the
5 secretary of agriculture of the department of agriculture and
6 land stewardship certifying that the United States department
7 of agriculture has approved the amendment or provision. The
8 department of agriculture and land stewardship shall forward a
9 copy of the statement to the Code editor prior to publication.
10 3. This section does not affect the implementation of
11 provisions amended or enacted in 2019 Iowa Acts, chapter 130.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This bill relates to the manufacture, sale, and consumption
16 of consumable hemp products in this state. The bill defines
17 "consumable hemp product" as a hemp product that includes a
18 substance that is metabolized or is otherwise subject to a
19 biotransformative process when introduced into a human or
20 animal body.

21 The bill allows a person to manufacture, sell, or consume a
22 consumable hemp product only if the consumable hemp product is
23 manufactured in Iowa in compliance with Code chapter 204, the
24 hemp in the consumable hemp product was produced exclusively in
25 Iowa in compliance with Code chapter 204, and the consumable
26 hemp product complies with packaging and labeling requirements
27 established by the department of inspections and appeals by
28 rule. The bill also allows a consumable hemp product to be
29 imported for use by a consumer if the state from which the
30 consumable hemp product is being imported has a state hemp plan
31 approved by the United States secretary of agriculture and
32 testing requirements substantially similar to those of this
33 state.

34 The bill requires a person manufacturing consumable hemp
35 products to register with the department of agriculture and

1 land stewardship, which may impose a fee to recoup the cost of
2 registration. A person selling consumable hemp products must
3 register with the department of inspections of appeals, which
4 may also impose a fee to recoup the cost of registration.

5 The bill prohibits political subdivisions of the state
6 from adopting any ordinance, rule, or regulation regarding
7 the manufacture, sale, or consumption of a consumable hemp
8 product, and exempts consumable hemp products that comply with
9 the provisions of the bill from classification as a controlled
10 substance.

11 The bill takes effect on the implementation date of Code
12 chapter 204, unless the department of agriculture and land
13 stewardship, acting in coordination with the department of
14 public safety, determines that the provisions must be submitted
15 to the United State department of agriculture for approval.
16 In that case, the provisions take effect when the department
17 of agriculture and land stewardship publishes a notice of the
18 United States department of agriculture's approval in the Iowa
19 administrative bulletin.